

5 Keys to Unlocking Clinic Profitability

By Dan Morrill

A pivotal moment in the Oscar-nominated film *The Grand Budapest Hotel* involves a call to arms for the Society of the Crossed Keys, a fictional network of concierges who help each other out of sticky situations. Keys serve as a theme throughout the film, as the main characters journey in and out of hotel rooms and jail cells, uncovering the secrets that will lead to happily ever after.

Just like in the movie, there isn't always one single answer to unlocking profitability for a physical therapist's office. Sometimes you have to turn a lot of keys before you get the right one -- or sometimes, you need a whole network of them, working together in concert.

Physical therapy offices today face a number of challenges that threaten to chip away at their profits, including more complex requirements for insurance reimbursement, limits on the number of times a patient can visit and the costs ultimately incurred by patients.

But you don't have to let the challenges weigh you down. There are plenty of opportunities to boost profitability while continuing to serve your patients in the best way possible. Here are five keys for unlocking your clinic's profitability.

1. Develop -- and follow through with -- a marketing plan.

Being dubbed a community's "best-kept secret" is a flattering moniker, implying a certain level of excellence and cache. But being a secret doesn't do your bottom line a whole lot of good. To run an effective physical therapy business, the community needs to understand the quality and variety of services they can get from your office -- and nowhere else.

Craft a marketing plan that embraces social media, as well as your office's website, as tools for sharing patient success stories, helpful rehabilitation tips and information about your therapists' expertise. Be clear about your objectives and what steps you'll take to achieve them.

Most importantly, once you elect to begin a marketing program, you must commit to it. Effective marketing requires consistency and persistence. Offices will frequently start a social media program with the best of intentions only to let it fall by the wayside in the face of other day-to-day obligations. If you don't have someone in your office who can make the commitment, know when to seek help from an outside source. Once the new patients -- and new profits -- begin rolling in, it will be well worth the investment.

2. Clearly identify your differentiators.

The services and specialization your therapists offer define the value that your office delivers. These differentiators are the reason why patients would choose your office over anyone else's.

Ask yourself: Does this office offer treatments patients can't get anywhere else? Do patients get more one-on-one care? Is it conveniently located near expressways or public transportation? Are you open on

evenings and weekends for patients with day jobs? Have you invested in state-of-the-art equipment that's hard to find in your area?

All of these factors make the case for why patients should receive treatment at your office. Make them part of your brand messaging so patients can see a clear connection between their needs and your offerings. When it comes time to choose a therapist, they'll have no question which office is the right fit.

3. Understand and utilize key business metrics.

It seems basic, but often physical therapy offices don't know as much about their financials as you'd think. But it's crucial to have a precise understanding of everything from your fixed to variable costs to how quickly insurers reimburse you after billing.

When's the last time, for example, you've taken a hard look at what you're paying your staff? Salaries are usually a physical therapy office's biggest expense, but it's crucial to examine how much you pay individual therapists compared to what they bring in.

Some offices are beginning to venture into what they call "cash only" products, such as massages, wellness products and personal training that don't need to be run through insurance. Patients enjoy the opportunity to take advantage of other health-related items and services while your office benefits from immediate profits.

Finally, offices also need to understand each patient's financial impact on their business. Facilities that accept poor insurance plans and large discounts for their services may not be able to survive. Therefore, it's crucial to figure out how to make treating each patient profitable. Sometimes that means getting creative with treatment, such as using supervised support staff to improve patient experience and workflow, as allowed by rules and regulations. Make sure you understand each patient's insurance profile and how you can serve him or her effectively without cutting too deeply into your profits.

4. Get a leg up on customer service through surveys.

Surveys help give you detailed insight into what your patients think about your services and how you can serve them better. No one wants to be caught behind the curve when it comes to customer service. Surveys are the single best way to know if your efforts are working.

Your office can then use the information to adapt with agility, doubling down on practices that work well and discarding ones that don't. The survey results also deliver fodder for marketing materials. Who wouldn't want to advertise the fact that 99 percent of patients say they would refer a friend?

5. Equip your staff to sell your services.

The greatest resource for growing your business is already at your fingertips: your employees. They're the ones who forge relationships with your customers, day in and day out, building trust and loyalty. Because they have these authentic relationships, they're one of the best vehicles for helping customers

understand the value of your office's services. However, they're not always natural salesmen and women.

Teach them how to talk about your business, as well as how to explain to customers upfront the costs, outcomes and expectations for different treatment options. Prepare them with positive data, so they can educate patients with specifics, such as, "Our facility's outcomes suggest that if you complete 12 treatments and participate in the prescribed home exercise program, you will have a 94 percent chance of returning to your prior function level."

Help them be proactive in explaining how well patients do at your facility. And it doesn't hurt for them to share their own experiences, if they've undergone physical therapy themselves. Few things are more reassuring to hear than, "I'm a patient just like you." It's a way to build a customer base that will last a lifetime.

The right physical therapy software can help you with each of these five initiatives by helping you collect data, understand your business metrics and analyze therapists' outcomes. At the end of the day, it's all about people and how information can help you serve them better -- and keep them coming back, year after year.

Once you fill your ring with a robust collection of keys, you'll always have the resources you need for unlocking profitability, right in your pocket.

Dan Morrill is the Co-Founder and CEO of TheraOffice, the only EMR and practice management software designed by physical therapists to be highly adaptable to your unique business. For more information and to request a free demo, visit www.TheraOffice.com.